

STATE OF NORTH CAROLINA  
WAKE COUNTY

IN THE GENERAL COURT OF JUSTICE  
SUPERIOR COURT DIVISION  
FILE NO.: 11 CVS 3908

THE NORTH CAROLINA STATE BAR,

Petitioner

v.

LAURA G. JOHNSON, Attorney,

Respondent

ORDER CONTINUING  
TEMPORARY RESTRAINING  
ORDER

BY

WAKE COUNTY C.S.C.

2011 MAR 21 AM 10:30

FILED

THE MATTER of the State Bar's Petition for Preliminary Injunction came on for hearing before the undersigned Judge of Superior Court of Wake County pursuant to that Temporary Restraining Order entered on 10 March 2011 by the Honorable Carl R. Fox. Petitioner, the North Carolina State Bar was represented by Leonor Bailey Hodge. Respondent, Laura G. Johnson was represented by Garris Neil Yarborough. Mr. Yarborough and Ms. Johnson were not present in court. Mr. Yarborough was unable to appear for this hearing in Wake County because he was in Cumberland County Superior Court for previously scheduled matters. Based upon the evidence presented to the Court and upon the consent of the parties, the Court makes the following:

#### FINDINGS OF FACT

1. The preliminary results of the State Bar's investigation continue to show that Johnson mishandled entrusted funds in violation of Rule 1.15-2 of the Rules of Professional Conduct.
2. The same need for prompt action that existed when the Temporary Restraining Order was granted on 10 March 2011 continues to exist as of this date and there is a continuing need to ensure that client funds entrusted to Johnson are not mishandled to the client's detriment.
3. Johnson desires to cooperate with the State Bar.

#### CONCLUSIONS OF LAW

1. Prompt action, pursuant to N.C. Gen. Stat. § 84-28(f), is necessary to preserve the status quo while the State Bar continues its analysis of Johnson's trust and operating accounts and to ensure that no client funds are mishandled.
2. Johnson should be enjoined from accepting any further funds from or on behalf of clients or other individuals in a fiduciary capacity, from withdrawing funds

from and/or writing checks against any account in which client or fiduciary funds have been deposited, and from directing any employee or agent over whom Johnson exercises control to withdraw funds from and/or draw a check on any account in which client or fiduciary funds have been deposited, except as expressly authorized by this order.

3. To assist the State Bar's analysis of her trust and operating accounts, Johnson should provide the State Bar with records of all accounts in which client or fiduciary funds have been deposited.

4. Johnson should not be permitted to serve in any fiduciary capacity, including trustee, escrow agent, settlement agent, personal representative, executor or attorney-in-fact until further order of this Court.

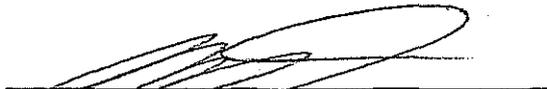
THEREFORE, IT IS HEREBY ORDERED:

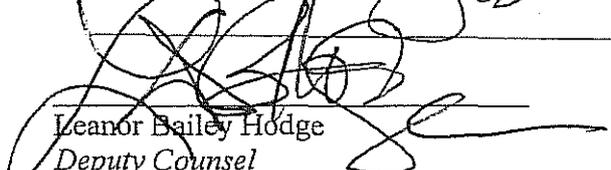
1. That the Temporary Restraining Order entered on 10 March 2011 enjoining Laura G. Johnson from serving in any fiduciary capacity, including trustee, escrow agent, settlement agent, personal representative, executor or attorney-in-fact; receiving any funds from or on behalf of clients or other individuals in a fiduciary capacity; writing checks against or otherwise disbursing or withdrawing funds from any account in which client or fiduciary funds have been deposited; and/or directing or permitting any employee or agent over whom Johnson exercises control to draw a check on or otherwise disburse or withdraw funds from any account in which client or fiduciary funds have been deposited is hereby continued.

2. This matter is scheduled for a hearing on the State Bar's Petition for a Preliminary Injunction on the 28<sup>th</sup> day of March, 2011 at 10 A .M. in the Wake County Courthouse, Courtroom 10-C in Raleigh, North Carolina.

3. The Temporary Restraining Order entered in this matter on 10 March 2011 shall remain in effect until the 28<sup>th</sup> day of March, 2011 unless extended by further orders of this Court.

THIS the 21 day of March, 2011 at 10:24 AM.

  
Garris Neil Yarborough  
Counsel for Respondent

  
Wake County Superior Court Judge  
  
Leonor Bailey Hodge  
Deputy Counsel  
The North Carolina State Bar